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DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 15-55]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Chang Sug, DSCA/LMO, (703) 697-8985.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 15-55 with attached Policy Justification.

Dated: September 16, 2016.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY 201 12TH STREET SOUTH, 8TE 203 ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515

AUG 1 7 2016

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-55, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Government of Afghanistan for defense articles and services estimated to cost \$60 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

Vice Admiral, USN

Director

Enclosures:

1. Transmittal

2. Policy Justification



Transmittal No. 15-55

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) (1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Afghanistan

(ii) Total Estimated Value:

Major Defense Equipment* \$ 30.0 million
Other \$ 30.0 million
TOTAL \$ 60.0 million

(iii) <u>Description and Quantity or Quantities of Articles or Services under</u> Consideration for Purchase:

Major Defense Equipment (MDE):

Four thousand, eight hundred and ninety-one (4,891) M16A4 5.56mm Rifles Four hundred and eighty-five (485) M240B 7.62mm Machine Guns Eight hundred (800) M2 .50 caliber Machine Guns

Non-MDE:

Also included with this request are M249 Light Automatic Machine Guns; M110 7.62mm Sniper Rifles; MK-19 40mm Grenade Launchers; MK-93 40mm Machine Gun Mounts; M3 Tripod Machine Gun Mounts; Spare Barrels; spare and repair parts; lot validation; publications and technical documentation; personnel training and training equipment; Quality Assurance Team; U.S. Government and contractor technical and logistics support services; and other related elements of logistics and program support.

(iv) <u>Military Department</u>: Army (UBY)

(v) <u>Prior Related Cases, if any:</u>

FMS case B6-B-FAK- \$138.8M - Nov 2007

FMS case E3-B-UAF - \$39.0M - Aug 2008

FMS case E6-B-UBN - \$55.0M - Jul 2009

FMS case AF-B-UBI - \$3.3M - Jan 2010

FMS case G5-B-UAG - \$39.0M - Mar 2010

FMS case G5-B-UEQ - \$11.0M - Nov 2010

FMS case G5-B-UEK- \$152.5M - Nov 2010

FMS case G6-B-UBD - \$20.2M - Apr 2011

FMS case G6-B-UBI - \$512.6M - May 2011

FMS case H5-B-UCN - \$20.8M - Dec 2012

FMS case H5-B-UES - \$1.8M - Aug 2013

FMS case J3-B-UCJ - \$50.9M - Mar 2015 FMS case J3-B-UDE - \$2.7M - Apr 2015 FMS case J3-B-UEW - \$5.66M - Sep 2015 FMS case J8-B-UAI - \$21M - May 2015 FMS case J8-B-UAN - \$7.6M - Jul 2015 FMS case V3-B-UAP - \$9M - Apr 2016

- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None.
- (viii) Date Report Delivered to Congress: 2016 AUG 17

^{*}as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Afghanistan - Individual and Crew Served Weapons

The Government of Afghanistan has requested a possible sale of:

Major Defense Equipment (MDE):

Four thousand, eight hundred and ninety-one (4,891) M16A4 5.56mm Rifles Four hundred and eighty-five (485) M240B 7.62mm Machine Guns Eight hundred (800) M2 .50 caliber Machine Guns

Non-MDE:

Also included with this request are M249 Light Automatic Machine Guns; M110 7.62mm Sniper Rifles; MK-19 40mm Grenade Launchers; MK-93 40mm Machine Gun Mounts; M3 Tripod Machine Gun Mounts; Spare Barrels; spare and repair parts; lot validation; publications and technical documentation; personnel training and training equipment; Quality Assurance Team; U.S. Government and contractor technical and logistics support services; and other related elements of logistics and program support. The estimated cost is \$60 million.

The proposed sale will enhance the foreign policy and national security objectives of the United States by helping to improve the security of a strategic partner by providing weapons needed to maintain security and stability, as well as to conduct offensive operations against an ongoing insurgency. A stable and secure Afghanistan is vital to regional stability. This proposed sale will also demonstrate the U.S. commitment to Afghanistan's security.

Afghanistan has an urgent requirement to increase its stocks of crew-served weapons for ongoing counter-insurgency operations and enduring threats to its national sovereignty. These articles were determined to be necessary and are based on Afghanistan's force structure and operational requirements.

The Afghan National Army (ANA) will use these weapons and equipment in both offensive and defensive operations against insurgents and terrorists within their borders. Without these defense articles, the ANA will not have the military capabilities that are necessary to maintain security and stability. The ANA is thoroughly trained and prepared to use the proposed defense articles. Afghanistan will have no difficulty absorbing this equipment into its armed forces.

While equipment for the ANA is typically purchased with Title 10 Afghanistan Security Forces Fund (ASFF) appropriations and implemented by DSCA through pseudo-FMS cases, Afghanistan will use U.S. government grants to fund and support this proposed purchase.

The principal contractor for the M240B will be FN America, Colombia, SC. The principal contractors for the M16A4, M2, and other weapons have not been identified pending open competition and contract award. Some items may be drawn from Army stocks to meet desired delivery dates. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this sale will require the assignment of approximately eight (8) additional U.S. Government and approximately six (6) contractor representatives to Afghanistan for approximately 5-6 weeks in support of the fielding, maintenance and personnel training.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

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